

FISCAL IMPACT STATEMENT ON BILL NO. **S.1090**

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TO:	The Honorable David Thomas, Chairman, Senate Banking and Insurance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Kenneth Brown, Allan Kincaid, Rodney Grizzle		
DATE:	March 26, 2008	SBD:	2008100

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AUTHOR:	Senator Thomas	PRIMARY CODE CITE:	37-22-110
SUBJECT:	The South Carolina Mortgage Lending Act		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost of Federal and/or Other Funds (See Below)

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**BILL SUMMARY:**

The Bill would enact the South Carolina Mortgage Lending Act requiring the licensing of a mortgage lender, loan officer, limited loan officer, or someone acting as mortgage lender, provides definitions, establishes qualifications, provide for enforcement through the Department of Consumer Affairs and through criminal penalties.

**EXPLANATION OF IMPACT:**

Department of Consumer Affairs

Section 37-22-160 of the Bill establishes applicable licensure fees and Section 37-22-270 directs that these fees be used to implement the provision of this chapter. The Department indicates that this Bill would require additional recurring Other Funds expenditures totaling \$601,188 to cover costs of salary and fringe benefit for Fifteen (15.00) FTE positions totaling \$480,388 and operating expenses totaling \$120,800 to perform licensing, enforcement and other regulatory activities. One-time operating expenses of \$122,500 would cover cost of furnishings, equipment and software upgrade.

Administrative Law Court

The Court has indicated this Bill will have a minimal impact on the General Fund of the State, which can be absorbed by the agency at the current level of funding. Should the number of new cases increase significantly in number or complexity, the Court may be required to request additional funding.

State Law Enforcement Division (SLED)

Sections 37-22-140(A)(6),(C)(E); 37-22-160(A) and 37-22-260(A) of the Bill requires a background check. The fee for conducting a state background check is \$25. Assuming Other Funds revenue will cover the operating cost of conducting the state background check there should be no additional cost to the State General Fund. SLED indicates the cost for the federal criminal record check is \$13.25 if submitted electronically and \$30.25 if mailed.

Approved by:



Harry Bell

Assistant Director, Office of State Budget